

Price Waterhouse & Co Chartered Accountants LLP

To
The Board of Directors
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block- G,
Bandra Kurla Complex,
Bandra (East),
Mumbai- 400 051.

1. We have reviewed the unaudited consolidated financial results of National Stock Exchange of India Limited (the “Parent Company”), its subsidiaries (the Parent Company and its subsidiaries hereinafter referred to as the “Group”), associate companies for the quarter ended June 30, 2022, which are included in the accompanying Statement of Consolidated Unaudited Financial Results (the “Statement”). The Statement is being submitted by the Parent Company pursuant to the requirement of Regulation 33 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the “SECC Regulations”) read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations, 2015”), which has been initialed by us for identification purposes.
2. This Statement, which is the responsibility of the Parent Company’s Management and has been approved by the Parent Company’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP Identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)

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4. The Statement includes the results of the following entities:

| Sr. No. | Name | Nature of Relationship |
|---------|---|------------------------|
| 1 | NSE Clearing Limited | Subsidiary Company |
| 2 | NSE Investments Limited | Subsidiary Company |
| 3 | NSE IFSC Limited | Subsidiary Company |
| 4 | NSE IFSC Clearing Corporation Limited | Subsidiary Company |
| 5 | NSEIT Limited | Subsidiary Company |
| 6 | NSE Data & Analytics Limited | Subsidiary Company |
| 7 | NSE Indices Limited | Subsidiary Company |
| 8 | NSE Infotech Services Limited | Subsidiary Company |
| 9 | NSE.IT (US) Inc. | Subsidiary Company |
| 10 | Aujas Cybersecurity Limited | Subsidiary Company |
| 11 | NSE Academy Limited | Subsidiary Company |
| 12 | TalentSprint Private Limited | Subsidiary Company |
| 13 | Cogencis Information Services Limited | Subsidiary Company |
| 14 | CXIO Technologies Private Limited | Subsidiary Company |
| 15 | TalentSprint Inc. | Subsidiary Company |
| 16 | NSE Foundation | Subsidiary Company |
| 17 | National Securities Depository Limited | Associate Company |
| 18 | India International Bullion Holding IFSC Limited | Associate Company |
| 19 | Power Exchange India Limited | Associate Company |
| 20 | Protean eGov Technologies Limited (Formerly NSDL e-Governance Infrastructure Limited) | Associate Company |
| 21 | Market Simplified India Limited | Associate Company |
| 22 | Receivables Exchange of India Limited | Associate Company |
| 23 | Indian Gas Exchange Limited | Associate Company |
| 24 | Capital Quant Solutions Private Limited | Associate Company |

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraphs 7 and 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SECC Regulations read with Regulation 33 of the of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We draw your attention to Note 2 to the Statement of Consolidated Unaudited Financial Results, relating to the contingent liability, that describes the Orders issued by the Securities and Exchange Board of India ("SEBI") on April 30, 2019 wherein disgorgement/demand aggregating Rs. 687.47 crores (excluding interest thereon at 12% p.a. from April 1, 2014 till the actual date of payment for one Order and from September 11, 2015 till the actual date of payment for second Order) has been raised against the Parent Company pursuant to an investigation conducted in relation to preferential access to tick by tick data at the Parent Company's Colocation facility, Dark Fiber point to point connectivity and Governance and related matters. SEBI further directed the Parent Company to undertake certain remedial measures, actions and imposed restrictions. The Parent Company has also received Adjudication notices covering identical matters, facts, circumstances and grounds as stated in each of the above Orders. Adjudication

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hearings before SEBI have been completed for all the above matters and SEBI has levied penalty of Rs. 1 crore each for the Colocation facility matter and the Governance matter and Rs. 7 Crores for Dark Fiber point to point connectivity matter. The Parent Company has deposited Rs 1,107.47 crores with SEBI in respect of these Orders. The Parent Company has filed appeals to contest the aforesaid Orders including adjudication Orders with the Hon'ble Securities Appellate Tribunal, the future outcome of which is uncertain at this stage. Based on the legal opinion obtained by the Parent Company, no provision for any liability has been made towards the aforesaid demand from the Orders, including any monetary penalty from the pending as well as concluded Adjudication proceedings in the consolidated financial results. Our conclusion is not modified in respect of these matters.

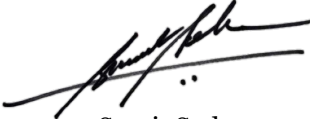
7. We did not review the interim financial information of one subsidiary and consolidated financial information of two subsidiaries included in the Statement of Consolidated Unaudited Financial Results, whose interim financial information reflect total revenues of Rs. 0.28 crore and Rs. 544.00 crores, total net profit/ (loss) after tax of Rs. (17.32) crores and Rs. 196.31 crores and total comprehensive income of Rs. (14.68) crores and Rs. 198.10 crores, for the quarter ended June 30, 2022, as considered in the Statement of Consolidated Unaudited Financial Results. The Statement of Consolidated Unaudited Financial Results also include the Group's share of net loss of Rs. (0.90) crore and total comprehensive loss of Rs. (0.15) crore for the quarter ended June 30, 2022, as considered in the Statement of Consolidated Unaudited Financial Results, in respect of one associate company, whose interim financial information have not been reviewed by us. These interim financial information have been reviewed by other auditors in accordance with SRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" and their reports dated July 27, 2022, August 1, 2022, August 4, 2022, and July 25, 2022 vide which they have issued an unmodified conclusion, have been furnished to us by the Parent Company's Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate company is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of these matters.
8. Further, in respect of one subsidiary included in the Statement of Consolidated Unaudited Financial Results, whose interim financial information reflect total income from donations of Rs. 21.85 crores, total excess of income over expenditure after tax of Rs. 14.09 crores and total comprehensive income of Rs. 14.09 crores for the quarter ended June 30, 2022, as considered in the Statement of Consolidated Unaudited Financial Results has been jointly audited by Price Waterhouse & Co Chartered Accountants LLP, auditor of Parent Company along with other joint auditor of the subsidiary. This interim financial information have been reviewed by us along with the joint auditor in accordance with SRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" vide our joint review report dated July 21, 2022 on which we have issued an unmodified opinion.
9. The Statement of Consolidated Unaudited Financial Results include the interim financial information of one subsidiary which have not been reviewed by their auditors, whose interim financial information reflect total revenues of Rs. 0.01 crore, total net loss after tax of Rs. (0.02) crore and total comprehensive loss of Rs. (0.02) crore for the quarter ended June 30, 2022, as considered in the Statement of Consolidated Unaudited Financial Results. The Statement of Consolidated Unaudited Financial Results also includes the Group's share of net profit after tax of Rs. 18.15 crores and total comprehensive income of Rs. 18.13 crores for the quarter ended June 30, 2022, respectively, as considered in the Statement of Consolidated Unaudited Financial Results, in respect of four associate companies, based on their interim



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financial information which have not been reviewed by their auditors. The Statement of Consolidated Unaudited Financial Results do not include the Group's share of total comprehensive income / loss in respect of two associate companies in which the investment of Rs. 21.62 crores made by the Group has been fully impaired. According to the information and explanations given to us by the Parent Company's Management, these interim financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of these matters.

For Price Waterhouse & Co. Chartered Accountants LLP.
Firm Registration Number: 304026E/ E - 300009



Sumit Seth
Partner
Membership Number: 105869
UDIN: 22105869AOUPGG8757
Place: Mumbai
Date: August 11, 2022



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

(Rs. in crores unless otherwise stated)

| Sr. No. | Particulars | Quarter ended | | | Year ended |
|---------|--|-------------------------|------------------------------|-------------------------|-----------------------|
| | | 30.06.2022 Unaudited | 31.03.2022 (Refer Note 1) | 30.06.2021 Unaudited | 31.03.2022 Audited |
| 1 | Income | | | | |
| | (a) Revenue from operations | 2,809.88 | 2,845.06 | 1,788.32 | 8,929.48 |
| | (b) Other Income | 110.91 | 161.20 | 133.11 | 570.16 |
| | Total Income | 2,920.79 | 3,006.26 | 1,921.43 | 9,499.64 |
| 2 | Expenses | | | | |
| | (a) Employee benefits expense | 203.18 | 226.13 | 146.15 | 689.70 |
| | (b) Depreciation and amortisation expense | 98.98 | 118.82 | 66.70 | 338.36 |
| | (c) Other expenses | 454.51 | 581.85 | 269.55 | 1,740.52 |
| | Total expenses | 756.67 | 926.80 | 482.40 | 2,768.58 |
| 3 | Profit before Exceptional items, Share of net profits of associates accounted for using equity method and Tax (1-2) | 2,164.12 | 2,079.46 | 1,439.03 | 6,731.06 |
| 4 | Share of net profits of associates accounted for using equity method | 17.32 | 32.43 | 13.10 | 90.28 |
| 5 | Profit before Exceptional items and Tax (3+4) | 2,181.44 | 2,111.89 | 1,452.13 | 6,821.34 |
| 6 | Exceptional items | | | | |
| | (a) Profit on sale of investment in Power Exchange of India Limited (Refer note 13) | - | 1.62 | - | 1.62 |
| | (b) Reversal of Provision for Impairment of Intangible assets under development (Refer note 7) | - | - | 68.23 | 68.23 |
| | (c) Settlement compensation towards cancellation of contracts (Refer note 7 & 14) | - | - | 21.10 | 21.10 |
| 7 | Profit before tax (5+6) | 2,181.44 | 2,113.51 | 1,541.46 | 6,912.29 |
| 8 | Less: Income Tax expense | | | | |
| | (a) Current tax expense | 498.60 | 532.42 | 370.92 | 1,701.59 |
| | (b) Deferred tax expense / (benefit) | (6.24) | 0.80 | (3.43) | 12.41 |
| | Total tax expenses | 492.36 | 533.22 | 367.49 | 1,714.00 |
| 9 | Profit for the period / year (7-8) | 1,689.08 | 1,580.29 | 1,173.97 | 5,198.29 |
| 10 | Other Comprehensive Income | | | | |
| | (a) <i>Items that will be reclassified to profit or loss (net of tax)</i> | | | | |
| | Changes in fair value of FVOCI debt instruments | (29.48) | (9.80) | 0.92 | (12.61) |
| | Changes in foreign currency translation reserve | 4.56 | 2.19 | 1.09 | 3.46 |
| | (b) <i>Items that will not be reclassified to profit or loss (net of tax)</i> | | | | |
| | Remeasurements of post-employment benefit obligations | (1.52) | 1.12 | (3.61) | (2.07) |
| | Changes in fair value of FVOCI equity instruments | 2.09 | (2.58) | (2.48) | (3.86) |
| | Share of other comprehensive income of associates accounted for using the equity method | 0.97 | 0.71 | 0.06 | 0.56 |
| | Total other comprehensive income for the period / year, net of taxes | (23.38) | (8.36) | (4.02) | (14.52) |
| 11 | Total comprehensive income for the period / year (9+10) | 1,665.70 | 1,571.93 | 1,169.95 | 5,183.77 |
| 12 | Profit attributable to : | | | | |
| | Owners of National Stock Exchange of India Limited | 1,689.27 | 1,577.54 | 1,174.24 | 5,194.97 |
| | Non-Controlling Interests | (0.19) | 2.75 | (0.27) | 3.32 |
| 13 | Other comprehensive income/(loss) attributable to : | | | | |
| | Owners of National Stock Exchange of India Limited | (23.38) | (8.38) | (4.03) | (14.49) |
| | Non-Controlling Interests | 0.00 | 0.02 | 0.01 | (0.03) |
| 14 | Total comprehensive income attributable to : | | | | |
| | Owners of National Stock Exchange of India Limited | 1,665.89 | 1,569.16 | 1,170.21 | 5,180.48 |
| | Non-Controlling Interests | (0.19) | 2.77 | (0.26) | 3.29 |
| 15 | Paid-up equity share capital (Face value Re. 1 per share) | 49.50 | 49.50 | 49.50 | 49.50 |
| 16 | Reserves (excluding Revaluation Reserve) | | | | 15,360.93 |
| 17 | Earnings per equity share (EPS) (FV Re. 1 each) - Basic and Diluted (Rs.) | 34.13* | 31.87* | 23.72* | 104.95 |

* Not annualised

Segment Information

(a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the Parent Company. The Group has identified the following segments i.e. Trading Services, Clearing Services, Data Feed, Index Licensing and Strategic Investment as reporting segments based on the information reviewed by CODM.

1: **Trading Services** : This part of the business/offers services related to trading in equity, equity derivatives, debt, currency derivatives and commodity derivatives segments. Revenue includes transaction charges, listing & book building fees, revenue from data centre charges etc.

2: **Clearing Services** : This part of the business/offers clearing and settlement of the trades executed in the capital markets, future & options, currency derivatives and commodity derivatives segments.

3: **Data Feed Services** : This part of business/offers services related to dissemination of price, volume, order book and trade data relating to securities and various indices to the stock and commodity brokers.

4: **Index Licensing Fees** : This part of the business primarily provides indices and related products and services to various participants in capital market in India.

5: **Strategic Investments** : This part of business is related to making or holding all strategic investments in the equity shares and / or other securities of various group companies.

6: Other segments includes End to End Solution, E-learning Solutions, Web Trading, IT services, IT Process Support charges, Software Application development, and IT security services. The results of these operations are included in the "Other Segments".

The above business segments have been identified considering :

- the nature of products and services
- the differing risks
- the internal organisation and management structure, and
- the internal financial reporting systems.

The segment information presented is in accordance with the accounting policies adopted for preparing the consolidated financial statements of the Group. Segment revenues, expenses and results include inter-segment transfers. Such transfers are undertaken either at competitive market prices charged to unaffiliated customers for similar goods or at contracted rates. These transfers are eliminated on consolidation.

(b) Segment Revenue :

Transactions between segments are carried out at arms length and are eliminated on consolidation. Segment revenue is measured in the same way as in the statement of profit or loss. Revenue and expenses which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as Unallocable. The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments.

| Segments | For the quarter ended 30th June, 2022 | | | | For the quarter ended 31st March, 2022 | | | | For the quarter ended 30th June, 2021 | | | | For the year ended 31st March, 2022 | | | |
|--|---------------------------------------|-----------------------|---------------------------------|-----------------|--|-----------------------|---------------------------------|-----------------|---------------------------------------|-----------------------|---------------------------------|-----------------|-------------------------------------|-----------------------|---------------------------------|-------------------|
| | Segment Revenue | Inter-segment revenue | Revenue from external customers | Segment Results | Segment Revenue | Inter-segment revenue | Revenue from external customers | Segment Results | Segment Revenue | Inter-segment revenue | Revenue from external customers | Segment Results | Segment Revenue | Inter-segment revenue | Revenue from external customers | Segment Results |
| Trading Services | 2,487.76 | 13.50 | 2,474.26 | 2,030.18 | 2,501.33 | 13.48 | 2,487.85 | 1,924.85 | 1,579.82 | 13.04 | 1,566.78 | 1,273.20 | 7,762.80 | 54.08 | 7,708.72 | 6,056.77 |
| Clearing Services | 196.12 | 125.80 | 70.32 | 19.20 | 198.32 | 143.20 | 55.12 | 22.39 | 146.67 | 83.42 | 63.25 | 25.08 | 676.75 | 414.34 | 262.41 | 109.77 |
| Data feed Services | 52.99 | 0.73 | 52.26 | 35.83 | 50.53 | 0.76 | 49.77 | 33.87 | 47.51 | 0.46 | 47.05 | 33.33 | 198.90 | 2.93 | 195.97 | 138.22 |
| Index Licensing Services | 69.72 | 34.41 | 35.31 | 32.58 | 67.85 | 34.32 | 33.53 | 30.06 | 42.45 | 15.82 | 26.63 | 23.61 | 206.25 | 90.25 | 116.00 | 104.78 |
| Strategic Investments | 171.20 | 171.20 | - | (0.71) | - | - | - | (0.69) | - | - | - | (0.73) | 140.37 | 140.37 | - | (2.71) |
| Other Segments | 234.52 | 56.79 | 177.73 | (63.72) | 282.89 | 64.10 | 218.79 | (92.08) | 118.08 | 33.47 | 84.61 | (48.45) | 847.33 | 200.95 | 646.38 | (245.41) |
| Total | 3,212.31 | 402.43 | 2,809.88 | 2,053.36 | 3,100.92 | 255.86 | 2,845.06 | 1,918.40 | 1,934.53 | 146.21 | 1,788.32 | 1,306.04 | 9,832.40 | 902.92 | 8,929.48 | 6,161.42 |
| Unallocable income (Net of Expenses) | | | | 31.43 | | | | 96.76 | | | | 83.55 | | | | 345.95 |
| Interest income | | | | 79.33 | | | | 64.30 | | | | 49.44 | | | | 223.69 |
| Profit before Exceptional items, Share of net profits of associates accounted for using equity method and tax | | | | 2,164.12 | | | | 2,079.46 | | | | 1,439.03 | | | | 6,731.06 |
| Share of net profit of associates accounted for using equity method | | | | 17.32 | | | | 32.43 | | | | 13.10 | | | | 90.28 |
| Profit before Exceptional items and tax | | | | 2,181.44 | | | | 2,111.89 | | | | 1,452.13 | | | | 6,821.34 |
| Exceptional items | | | | | | | | | | | | | | | | |
| Add : Profit on sale of investment in Power Exchange India Limited | | | | - | | | | 1.62 | | | | - | | | | 1.62 |
| Add: Reversal of Provision for Impairment of Intangible assets under development | | | | - | | | | - | | | | 68.23 | | | | 68.23 |
| Add: Settlement compensation towards cancellation of contract | | | | - | | | | - | | | | 21.10 | | | | 21.10 |
| Profit before Tax | | | | 2,181.44 | | | | 2,113.51 | | | | 1,541.46 | | | | 6,912.29 |
| Less: Income Tax Expense | | | | | | | | | | | | | | | | |
| Current Tax expense | | | | (498.60) | | | | (532.42) | | | | (370.92) | | | | (1,701.59) |
| Deferred Tax expense / (benefit) | | | | 6.24 | | | | (0.80) | | | | 3.43 | | | | (12.41) |
| Total Tax Expenses | | | | (492.36) | | | | (533.22) | | | | (367.49) | | | | (1,714.00) |
| Profit for the period / year | | | | 1,689.08 | | | | 1,580.29 | | | | 1,173.97 | | | | 5,198.29 |

(c) Segment Assets :

Segment assets are measured in the same way as in the Balance Sheet. These assets are allocated based on the operations of the segment.

| (Rs. Crs) | | | |
|-----------------------------|------------------|------------------|------------------|
| Segments | 30.06.2022 | 30.06.2021 | 31.03.2022 |
| Trading Services | 4,037.00 | 3,051.74 | 4,195.84 |
| Clearing Services * | 13,070.12 | 15,785.73 | 15,015.77 |
| Datafeed Services | 29.16 | 16.60 | 32.04 |
| Index Licensing Services | 35.81 | 17.28 | 14.49 |
| Strategic Investments | 730.39 | 689.89 | 721.89 |
| Other Segments | 592.99 | 380.51 | 543.85 |
| Total Segment Assets | 18,495.47 | 19,941.75 | 20,523.88 |
| Unallocable Assets | 17,094.86 | 13,472.76 | 15,083.12 |
| Total Assets | 35,590.33 | 33,414.51 | 35,607.00 |

There are no non current assets situated outside India.

Investments held by the Group are not considered to be segment assets but are managed by the treasury function. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as unallocable. Interest income are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

* Segment Asset include amount pertaining to Core SGF maintained by NSE Clearing Limited and NSE IFSC Clearing Corporation Limited (NSE IFSC CC) as follows:

| (Rs. Crs) | | | |
|---|------------|------------|------------|
| Particulars | 30.06.2022 | 30.06.2021 | 31.03.2022 |
| Contribution to Core SGF | 4,099.25 | 3,630.67 | 3,971.25 |
| Contribution to SGF - Commodity Derivatives | 250.00 | 250.00 | 250.00 |
| Contribution to Core SGF - NSE IFSC CC | 11.24 | 10.44 | 10.77 |

(d) Segment Liabilities

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

| (Rs. Crs) | | | |
|----------------------------------|------------------|------------------|------------------|
| Segments | 30.06.2022 | 30.06.2021 | 31.03.2022 |
| Trading Services | 3,874.26 | 3,572.88 | 4,514.56 |
| Clearing Services | 12,860.17 | 15,774.39 | 14,109.19 |
| Datafeed Services | 37.37 | 33.51 | 23.37 |
| Index Licensing Services | 21.30 | 15.47 | 2.21 |
| Strategic Investments | 1.08 | 1.09 | 1.19 |
| Other Segments | 516.04 | 156.85 | 479.71 |
| Total Segment Liabilities | 17,310.22 | 19,554.19 | 19,130.24 |
| Unallocable Liabilities | 1,195.46 | 1,054.49 | 1,058.37 |
| Core Settlement Guarantee Fund | (4,398.88) | (3,913.30) | (4,255.12) |
| Total Liabilities | 14,106.80 | 16,695.38 | 15,933.49 |

Notes :-

1 The above consolidated unaudited financial results for the quarter ended June 30, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on August 11, 2022. The financial results for the quarter ended June 30, 2022 were reviewed by the Statutory Auditors of the Company. The figures for the quarter ended March 31, 2022 are the balancing figures between audited figures in respect of full financial year and published year to date figures upto the third quarter of the respective financial year.

2 Securities and Exchange Board of India (SEBI) had directed National Stock Exchange of India Limited (NSE) to carry out an investigation including forensic examination by independent external agencies in respect of certain aspects of NSE's Colocation facility. Accordingly, investigations were carried out and the reports were submitted to SEBI. Further, SEBI in September 2016 directed that pending completion of the investigations, all revenues emanating from the colocation facility with effect from September 2016 be transferred to a separate bank account. In terms of the said directions, NSE continued to transfer the amount till May 2021 when SAT allowed the release of the amounts from such separate bank account (as further explained below).

Three separate show cause notices (SCN) on May 22, 2017 and July 03, 2018 were issued by SEBI to NSE and to some of its employees, including former employees, in respect of the alleged preferential access to tick by tick data in NSE's Colocation facility, Dark Fibre point to point connectivity and Governance and conflict of interest related matters which were responded to by NSE. NSE had also filed a Consent Application with SEBI on August 31, 2018 in respect of the said show cause notices. SEBI vide its letter dated April 30, 2019 returned the Consent Application filed by NSE and passed orders in respect of all the three show cause notices. In the first order, it passed a direction on NSE inter alia to disgorge an amount of Rs. 624.89 crore along with interest at the rate of 12% per annum from April 01, 2014 till the actual date of payment and certain non-monetary and restrictive directions prohibiting NSE from accessing securities market, through issuance of equity, debt or other securities for a period of six months from the date of the order; in the second order it passed a direction to deposit a sum of Rs. 62.58 crore along with interest at the rate of 12% p.a. from September 11, 2015 till the actual date of payment along with certain non-monetary and restrictive directions and in the third order it has passed certain non-monetary and remedial directions on NSE. Additionally, NSE also received Adjudication notices covering the above three orders for which NSE has filed its replies with SEBI. Hearing before SEBI in respect of all three Adjudication matters have been completed. With respect to Adjudication notices pertaining to preferential access to tick by tick data at NSE's Colocation facility, Dark Fibre point to point connectivity and Governance and conflict of interest matters, SEBI has passed orders and levied monetary penalty of Rs. 1 crore, Rs. 7 crore and Rs. 1 crore, respectively.

NSE having received the orders passed by SEBI sought legal advice thereon and preferred an appeal with SAT. SAT vide its interim order has stayed the disgorgement of the amount, however it directed NSE to transfer the amount of Rs. 624.89 crore in the Colocation matter and Rs. 62.58 crore in the Dark Fibre matter totalling to Rs. 687.47 crore to SEBI which has been remitted by NSE on June 13, 2019. Further, NSE was also directed to continue to transfer all revenues emanating from its co-location facility to a separate bank account. With respect to Governance and related matters, Hon'ble SAT vide its interim order has kept the directions passed in the SEBI order in abeyance.

While NSE's appeal in respect of the colocation matter had been heard by the Hon'ble SAT and the same was reserved for orders, NSE had, in the interim, filed an application with Hon'ble SAT to permit withdrawal of the amounts transferred to the separate account, as indicated above, and also to discontinue the transfer of all revenues emanating from its co-location facility to such separate bank account going forward. Hon'ble SAT heard the matter on May 17, 2021 and modified its earlier order dated May 22, 2019 and allowed NSE to withdraw the amounts previously transferred to such account, discontinue further transfer of future revenues and close the separate account. However, in order to balance the equities, Hon'ble SAT directed NSE to transfer an additional amount of Rs. 420 crore into an interest-bearing account with SEBI which has been remitted by NSE on June 17, 2021. Accordingly, as at June 30, 2022, a total amount of Rs. 1,107.47 crore has been deposited by the Company with SEBI. SAT directed the parties for a refresher hearing which has been concluded and the final order is now reserved by SAT.

With respect to adjudication orders, SAT, in an appeal filed by NSE also stayed the penalty levied by SEBI in relation to preferential access to tick by tick data at NSE's Colocation facility and Dark Fibre point to point connectivity. As regards adjudication order in relation to Governance and conflict of interest matters, an appeal has been filed with SAT, hearing for which is awaited.

NSE believes that it has strong grounds to contest each of the above orders including monetary liability (including adjudication proceedings) passed by SEBI. Accordingly, no provision for any liability in this regard is considered necessary in the financial results as of and for the quarter ended June 30, 2022.

3 On February 24, 2021, NSE's trading system was halted due to certain issues in the links with telecom service providers which in turn impacted the Storage Area Network (SAN) system of NSE, resulting in the primary SAN becoming inaccessible to the host servers. This also resulted in the risk management system of NSE Clearing Limited (NCL) and other systems such as clearing and settlement, index and surveillance systems becoming unavailable. NSE and NCL have submitted a root cause analysis of the incident to SEBI. SEBI vide its letter dated July 2, 2021 directed NSE and NCL to pay financial disincentive of Rs. 25 lakhs each. The said amount was paid by NSE on July 12, 2021 and NCL on July 14, 2021. Further, in this regard, SEBI has issued a show cause notice on August 11, 2021 to NSE, NCL and some of its employees alleging non-compliance with certain paragraphs of SEBI circular dated October 8, 2015, September 13, 2017, March 26, 2019 and Regulation 12(6) read with Regulation 7(3)(a) and 7(3)(c) of SECC Regulation 2018 for which detailed response is filed and hearing is underway. In this regard, NSE and NCL have taken necessary remedial actions and both have filed consent application with SEBI on August 31, 2021 against which preliminary hearing on maintainability of the said consent application has taken place on May 4, 2022. NSE and NCL have been directed to file written submission against the same which has been filed with SEBI. NSE and NCL are of the view that pending conclusion of this matter with SEBI, a reliable estimate of any obligation in respect of this matter cannot be presently made and therefore no provision / adjustment to this effect has been made in the financial results as of and for the quarter ended June 30, 2022.

4 NSE was in receipt of Show Cause Notice issued by SEBI on October 9, 2019 and a Supplementary notice on December 16, 2019 alleging violation in relation to certain alleged irregularities in the appointment of Chief Strategic Advisor and his re-designation as 'Group Operating Officer and Advisor to MD' by the former Managing Director & Chief Executive Officer and the sharing of certain internal information pertaining to NSE with an alleged third party by former Managing Director & Chief Executive Officer. During the previous year, SEBI vide order dated February 11, 2022 levied penalty of Rs. 2 crore which has been paid by NSE. In this direction, certain investigating agencies have been making inquiries and seeking various information, data etc. from NSE, which is being provided.

5 NSE was in receipt of SEBI Adjudication SCN dated January 07, 2021 and supplementary SCN dated May 6, 2021 with respect to the default of Kavya Stock Broking Limited, erstwhile trading member registered with NSE. NSE had filed its detailed response with SEBI. NSE has filed a consent application in response to the said SCNs issued by SEBI which was returned to NSE on April 6, 2022. SEBI vide order dated April 12, 2022 passed the order levying penalty of Rs. 2 crore. NSE has preferred an appeal against the said SEBI order and Hon'ble SAT vide its interim order has stayed the effect and operation of the SEBI order. Based on the legal view, NSE believes that it has strong ground to contest the said order and accordingly no provision / adjustment to this effect has been made in the financial results as of and for the quarter ended June 30, 2022.

6 (a) In case of NSE Clearing Limited (NCL), SEBI, vide circular CIR/MRD/DRMNP/25/2014 dated August 27, 2014, inter alia, has issued norms related to the computation and Minimum Required Contribution (MRC) to the Core Settlement Guarantee Fund by the Clearing Corporation (minimum 50%), Stock Exchange (minimum 25%) and members (maximum 25%). Further SEBI vide circular CIR/CFD/FAC/62/2016 dated May 05, 2016 advised Stock Exchange to transfer 25% of its annual profits to Core SGF. Accordingly, total Core SGF as on June 30, 2022, June 30, 2021 and March 31, 2022 is Rs. 4,099.26 crore, Rs.3,630.67 crore and Rs.3,971.25 crore, respectively. The details are given below:

| | CM | FO | CD | Debt | TRI Party | Commodity | Other | Total |
|---|---------------|-----------------|---------------|-------------|--------------|--------------|---------------|-----------------|
| NSE Clearing Ltd's contribution (NCL) | 107.00 | 672.00 | 100.00 | 3.00 | 8.50 | 5.00 | - | 895.50 |
| National Stock Exchange of India Limited's (NSE) Contribution | 54.00 | 336.00 | 48.00 | 1.00 | 8.50 | 2.50 | 327.51 | 777.51 |
| Contribution by NSE on behalf of Members | 53.00 | 336.00 | 50.00 | - | - | 2.50 | - | 441.50 |
| BSE Limited's Contribution | 4.36 | 0.05 | 12.58 | - | - | - | - | 16.99 |
| Metropolitan Stock Exchange of India Limited's Contribution | 0.00 | - | 1.13 | - | - | - | - | 1.13 |
| Penalties | 212.72 | 1,020.42 | 44.24 | - | - | 0.13 | - | 1,277.52 |
| Income on Investments | 63.59 | 579.86 | 23.70 | 0.99 | 4.34 | 1.86 | 13.77 | 688.10 |
| Others | 1.00 | - | - | - | - | - | - | 1.00 |
| Total | 495.68 | 2,944.33 | 279.65 | 4.99 | 21.34 | 11.99 | 341.28 | 4,099.26 |

• NCL's own contribution to Core SGF for the quarter ended June 2022, March 2022, June 2021 and for the year ended March 2022 is Rs. Nil.

(b) NCL had received approval from SEBI to start clearing and settlement activities in Commodity Derivatives and commenced operations from October 12, 2018. As required by SEBI, an amount of Rs.250 crore has been earmarked towards a separate fund to augment Settlement Guarantee Fund for Commodity Derivatives by way of appropriation from General Reserves. Further, NCL has also earmarked investments amounting to Rs. 250 crore towards the same.

(c) In case of the subsidiary company NSE IFSC Clearing Corporation (NICCL), as per regulation 14(1) of International Financial Services Centres Authority (Market Infrastructure Institutions) Regulations, 2021 notified on 12 April 2021, total Core SGF as on June 30, 2022 of NICCL is Rs.11.24 crore (June 30, 2021: Rs. 10.44 crore and March 31, 2022: Rs. 10.76 crore) comprising of Rs.11.10 crore contributed by NICCL by appropriating reserves / profits, fines and penalties collected by NICCL amounting to Rs.0.05 crore and an amount of Rs.0.09 crore being Income from investments of Core SGF funds have been credited to Core SGF. Further, NICCL's contribution to its Core SGF for the quarter ended June 30, 2022, March 31, 2022, June 30, 2021 and for the year ended March 31, 2022 amounted to Rs. Nil.

- 7 During the previous year ended March 31, 2022, contract pertaining to clearing and settlement system was terminated by NCL and an amount of Rs.83.86 crore was received towards the same. Accordingly, provision for impairment of intangible asset under development pertaining to the said contract made in the earlier year ended March 31, 2021 amounting to Rs.68.23 crore had been reversed and the balance amount of Rs.15.63 crore had been accounted as settlement compensation, which had been disclosed as an exceptional item.
- 8 During the quarter ended June 30, 2022, NCL has given additional bank guarantee of Rs.1,000 crore (June 30, 2021: Rs. Nil and March 31, 2022: Rs. 2,000 crore) in favour of ICCL towards Inter Clearing Corporation collateral under interoperability framework as prescribed by SEBI. Total bank guarantee amount as on June 30, 2022 is Rs. 4,000 crore (June 30, 2021: Rs. 1,000 crore and March 31, 2022: Rs. 3,000 crore)
- 9 During the previous year ended March 31, 2022, SEBI issued a show cause notice to NCL alleging non-compliance with certain paragraphs of SEBI circular dated December 17, 2018 for failure to share alerts with other exchange post interoperability. In this regard, NCL has filed necessary response with SEBI. Pending conclusion of this matter with SEBI, NCL is of the view that a reliable estimate of any obligations in respect of this matter cannot be presently made and therefore no provision /adjustment to this effect has been made in the financial results as of and for the quarter ended June 30, 2022.
- 10 During the quarter ended June 30, 2022, NSE IFSC Limited (NSE IFSC), a subsidiary of NSE and NSE IFSC Clearing Corporation Limited (NSE IFSC CC), a subsidiary of NCL have received renewal of recognition under regulation 12 of International Financial Services Centres Authority (MIs) Regulations, 2020 for a period of one year commencing May 29, 2022 to May 28, 2023.
- 11 During the year ended March 31, 2021, NSE and Singapore Stock Exchange (SGX) had entered into a collaboration agreement to cement the key terms for operationalising the NSE IFSC-SGX Connect which will bring together international and Gujarat International Finance Tec City (GIFT) participants to create a bigger liquidity pool for Nifty Products in Gift City and to develop the infrastructure for the NSE IFSC-SGX Connect and ensure member readiness prior to its implementation. Further, NSE IFSC Limited on March 28, 2022 has entered into an operational agreement with SGX India Connect IFSC Private Limited (SGX-SPV), Singapore Exchange Derivatives Clearing Limited and NSE IFSC Clearing Corporation Limited to operationalise the NSE IFSC-SGX Connect. As a first phase of operationalisation of the NSE IFSC-SGX Connect, trading of Negotiable Large Trades (NLT) from Singapore Exchange (SGX Group) has been introduced from May 16, 2022 and on July 29, 2022, NSE IFSC-SGX Connect has been launched .
- 12 NSE IFSC CC is required to provide collateral to SGX-DC for the due performance of its clearing obligations in respect of the trades placed by SGX-SPV on NSE IFSC. Accordingly, subsequent to quarter ended June 30, 2022, NSE IFSC CC has availed Bank Guarantee facility from Standard Chartered Bank amounting to USD 20 million for the same.
- 13 During the previous year ended March 31, 2022, a subsidiary company NSE Investments Limited (NIL) held 2,00,00,030 equity shares representing 34.21% shareholding of Power Exchange India Limited (PXIL). As per the Power Market Regulations, 2010, NIL was required to bring down its shareholding in PXIL to 25% by April 2022. Accordingly, to meet with these requirements, NIL had entered into the Share Purchase Agreement on January 28, 2022 with NTPC Vidyut Vyapar Nigam Limited (NVVNL), a wholly owned subsidiary of NTPC for divesting its shareholding in PXIL of 5% constituting 29,23,503 equity shares through secondary market. NIL post this transaction held 1,70,76,527 equity shares representing 29.21% shareholding of PXIL as at March 31, 2022. Since NIL had previously impaired the entire value of its investment in PXIL, the sale of shares resulted in inflow of Rs.1.62 crore which was shown as an exceptional item in the statement of Profit and Loss for the quarter and year ended March 31, 2022.
- 14 The subsidiary company, namely NSEIT (US) Inc., had entered into a contract with NASDAQ Technology AB, Sweden (Nasdaq) for provision of software services vide contract dated December 09, 2020. During the previous year ended March 31, 2022, this contract was terminated by Nasdaq and NSEIT (US) Inc received a sum of USD 753,280 (Rs. 5.47 crore) as compensation towards cancellation of the contract in accordance with the terms of the contract. This amount received had been disclosed as an exceptional item.
- 15 The Company in its annual general meeting held on July 12, 2022 has approved the payment of final dividend for the financial year ended March 31, 2022 of Rs. 42/- per equity share of Re. 1/- each.
- 16 Previous period's / year figures have been regrouped / reclassified wherever necessary to correspond with the current period classification / disclosure.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 11, 2022

Ashishkumar Chauhan
Managing Director & CEO
DIN : 00898469